Agricultural — 1923

Alabama.

Credits.

DIRECTOR TO BE NAMED.

March 23, 1923.

Commercial Appeal

Alabama Farm Loan Association to Select Member.

MONTGOMERY, Ala., March 24.—Alabama's 126 farm loan associations have been called upon to name a director for the Federal Land Bank of New Orleans, under a new method provided by Congress when it passed the rural credit act March 3. In addition, the association must vote on a director from the district, composed of Alabama, Mississippi and Louisiana. Each state will name one director and the three states will nominate as many as three persons for director at large. The government will name three directors and will select the director at large from among the three nominations of the states.

The farm loan associations of Montgomery County have announced that they believe Capt. Tyler Goodwyn of Montgomery, who is retained as the federal land bank's attorney in Alabama, should be elected the Alabama director, and have appealed to the other associations in the state to support him.

Capt. Goodwyn represented the farm loan associations of Alabama in the mortgage tax case which they won in the supreme court of the United States Tuesday and which will prevent the state from collecting a mortgage tax on instruments presented by the federal land bank.

While Capt. Goodwyn is being presented as a candidate for Alabama director by others, he is making an active campaign in support of T. F. Davis, president of the federal land bank since 1917, for director at large. Mr. Goodwyn has appealed to all local associations of Alabama to vote for Mr. Davis, staating that he has no opposition in Mississippi and Louisiana. "Until 1921 I was associated with Mr. Davis in the land bank and am personally familiar with his great service to the borrowing farmers of Alabama," said Mr. Goodwyn's letter. Mr. Goodwyn further stated that the federal land bank is now ready to meet any demands made on it by the farmers of the district and that too much credit for its success could not be given Mr. Davis.

The board of directors of each association will cast the vote of the association. Each vote will represent $100 borrowed through the association except that no one loan can cast more than 20 votes. Under this restriction a person who has borrowed $2,000 from the federal land bank will have the same authority to speak as the person who has borrowed $10,000.

Agricultural Credits—1923. General.

What Congress Did to Make Money Easy to Get

Commercial Appeal March 25, 1923

Out of the jumble of financial legislation which became law during the recent term of Congress, a dozen reservoirs for credit and for money have been opened.

Most of the legislation is for the benefit of agriculture. Whether it will benefit or curse agriculture remains to be seen.

There will be a plentiful supply of money. It will be easy to get hold of if one has certain collateral. It can be borrowed by groups, blocs, associations and banks to be created and old banks.

We are going to have an expansion of currency which will keep printing presses mighty busy. Our flotation will be such that will make paper industry good.

Congress accepts the idea that credit, money, price and value can be created by merely an ipse dixit. It is a repetition of the eternal struggle to get something without creating it and to do away with the necessity of labor and energy in creating values.

But the purpose of this editorial is to tell the people what has been done. Some things enacted are useful and necessary. They would have been done before if Congress had been more intelligent in the science of credits, values and exchange.

First, any state bank can now become a member of the Federal Reserve System if it has 60 per cent of the capital that would be required if it were a National Bank. A National Bank must have a capital of $25,000.00. A state bank with a capital of $15,000.00 can come in, but it must agree to set aside 25 per cent of its net profits until its capital is equal to $25,000.00.

Factors' paper is eligible for rediscount, provided the factors make advances exclusively to producers of agricultural staple products in the raw state. This makes cotton factors' paper eligible.

The Federal Reserve Bank can now rediscount or purchase bills of exchange payable on demand which are drawn to finance the domestic shipment of non-perishable, regularly marketable staple agricultural products, provided such drafts are secured by shipping documents.

This authority should be of great help in marketing cotton. Cotton bills are now eligible for rediscount. These bills can be held by the reserve bank for not more than ninety days.

A banker's acceptance drawn for agricultural purposes and secured at the time by warehouse receipts on readily marketable staples can be rediscounted or purchased by the Federal Reserve.

Federal Reserve Banks can rediscount agricultural or livestock paper having a maturity of nine months. Federal Reserve Banks can rediscount agricultural paper for Federal Intermediate Credit Banks under certain regulations. These regulations as to carrying agricultural paper a long time need not have been made, so far as the bank in this section is concerned.

The Federal Reserve Bank of this region (the Eighth District Bank), carried cotton and rice paper for periods of twelve up to twenty-two months.

The act creates three other sorts of banks.

Twelve Intermediate Credit Banks are to be located in the same cities as Federal Land Banks and will cover the same territory. This will put one of these banks in St. Louis and another in Louisville. These banks can have a capital of $5,000,000. The government can subscribe to it. They are authorized to issue debentures secured by paper they rediscount amounting to ten times their capital. This makes available at once, if the banks are formed $660,000,000 to be loaned out on agricultural paper. The land bank directors are to be the directors of these intermediate credit banks.

The Intermediate Credit Banks have the authority to discount or buy agricultural or livestock paper having a maturity of not less than six months or more than three years from any National Bank, any state bank, trust company, agricultural credit corporation, incorporated livestock loan company, savings institution, co-operative bank, or co-operative credit or marketing associations of agricultural producers. Loans must be indorsed by any of such institutions offering the notes to the Intermediate Credit Bank. These banks are also authorized to make direct loans or advances to any co-operative association engaged in the producing or marketing of staple agricultural products or livestock, provided the notes are secured by warehouse receipts or shipping documents and that the advance shall not exceed seventy-five per cent of the market value of the commodity.

There is a further provision which provides that a National Bank which has rediscounted its paper with an Intermediate Credit Bank cannot incur a liability in excess of twice its capital and surplus. This would prevent a National Bank which had borrowed from an Intermediate Credit Bank from borrowing from all sources more than twice its capital and surplus and would nullify the benefits they now have under the Federal Reserve Act.

This same section provides that no paper can be discounted for any corporation, such as cattle loan companies, if the amount of their liabilities is in excess of ten times their paid-in capital and surplus. It is quite a liberal provision.

The rate of interest to be charged by the Intermediate Credit Bank shall be determined by the Federal Farm Loan Board and the banks cannot rediscount a note on which the original borrower has paid a rate of interest of more than one and one-half per cent over the discount rate of the Intermediate Credit Bank.

Title II of the Agricultural Credits Act provides for the organization of the other two classes of banks. These are to be called National Agricultural Credit Corporations and are to be divided into two classes, one with a capital of not less than $250,000, the other with a capital of not less than $1,000,000, and both may be chartered for a period not over fifty years. Both classes of banks are under the general supervision of the Comptroller of the Currency.

National Agricultural Credit Corporations with a capital of

not less than $250,000 may loan, rediscount or buy notes, drafts or bills of exchange and may accept bills of exchange which are drawn for agricultural purposes, and may rediscount such notes with the Intermediate Credit Bank. They are also authorized to act as Fiscal Agent of the United States. Such a corporation can contract liabilities not exceeding ten times its capital and surplus and can loan to one person or corporation (it does not mention a firm) an amount equal to 20 per cent of its capital and surplus on straight paper. It can also lend to one person or corporation up to fifty per cent of its capital and surplus provided the obligations are secured by warehouse receipts on readily marketable agricultural commodities.

The second class of National Agricultural Credit Corporation must have an authorized capital stock of $1,000,000. Such a corporation can rediscount for any bank that belongs to the Federal Reserve System the paper which is eligible for rediscount by the $250,000 corporation. The limits of indebtedness which such a corporation may incur, and the amount which they can lend to one individual or corporation, are not fixed by the act, but are subject to such regulations as the Comptroller of the Currency may issue from time to time.

The act also gives federal farm loan banks power to lend $25,000.00 instead of $10,000.00.

The act extends the life of the War Finance Corporation to April 1, 1924. Joint stock land banks are still to continue.

So it looks as if borrowing is going to be easy and that money of all sorts will be plentiful.

There will be a corresponding advance in prices. There will also be a corresponding advance in costs.

Down here we should profit by what happened to us two years ago. Prices advanced because money was cheap. Values were constant.

The confusion of value and prices has been the undoing of most of our people.

Let's not permit it to happen again. In the boom year following the war if everybody had paid his debts and had contracted no more debts we would have had no collapse in these parts. We could have paid our debts for 50 cents on the dollar **in value,** but instead of paying our debts we bought stuff **in terms of cheap money.** For instance, we agreed to pay $100,000 for a plantation which in 1916 was worth $50,000, but we expected to pay for it on the assumption that cotton would still fetch 50 cents a pound.

Cotton went down in price because the demand from abroad ceased because of cheap foreign money. The value was the same. So when the cotton fetched only 25 cents a pound and maybe less, the $100,000 dollar debt loomed big because instead of taking 500 bales to pay for it, it took a thousand bales. When this second inflation comes, and it looks as if it is coming, all of us in these parts, who are in debt, should use the paper profits to pay up.

When prices are high it is the time to pay, **but it is not a time to contract obligations.**

This legislation is alluring and is tempting to him who has the borrowing habit.

But no matter how easy it makes things we can't get away from earning our bread in the sweat of our face.

And bread so earned is sweeter; it is eaten in contentment, and that's the best reward.

FARM LOAN SYSTEM.

In the current issue of Farm and Fireside, one of the leading agricultural magazines of national scope, appears the following significant editorial:

"The Federal Farm Loan system was created to make available to the farmers of this country the cash borrowing power of their eighty billion dollars' worth of land, stock, buildings, and equipment. The intent of the organizers of the system, clearly written into the original law, was to turn the system of land banks over to the farmers as soon as it was soundly established. That has never been done. Instead, the Farm Loan system has been made a political tool, a bureaucratic, paternalistic government machine, a viciously distorted caricature of what it was originally intended to be.

"It is all right for government to help establish banks. It is all wrong for government to operate banks. The Federal Farm loan system should be delivered into the hands of the agricultural interests it was built for—banking system is in the hands of just as the commercial and industrial the commercial and industrial interests it was built for."

There is a great deal of food for thought in these plain but impressive statements. It has long been apparent that the Federal Farm Loan Board has been a political machine more banker-minded than farmer-minded. In its first report to congress it averred that it did not believe in banks "controlled by borrowers." That is a sound economic problem in commercial banking, but the farm loan system was not intended as a banking system per se.

After acquiescing in the arrangement by which farmers were deprived of the vested right of stockholders to elect directors, the board complacently recommended to congress the second object dear to the enemies of the law—the elimination of the National Farm Loan associations, the local co-operative groups which are the very foundation of the system.

Two years ago the board asked but was denied power to allow "voluntary" dissolution of these. The same end was sought this year when permission was requested for power to make loans direct through agents, paid on commission, and to render it unnecessary for a borrower to belong to an association. Only after one of the most acrimonious fights of the session in the house was this power refused. The national associations, although prevented from electing directors and in many ways treated like stepchildren, minors, or wards, rather than full and controlling members of the farm loan family, are still intact.

The fact remains, as pointed out by the Farm and Fireside, the original law has been butchered, and that the law as written has never been tried.

The number of directors, for instance, has been arbitrarily reduced to seven. When the federal board does deem the time appropriate to call elections, the farmers, instead of having six out of nine directors, will elect only three. Three will be appointed by the government, and the seventh appointed by the farm loan commissioner in Washington. He will be a man nominated by the association, it is true; but, owing his place to the commissioner, it is by no means certain that this seventh man will feel a first allegiance to the farmers.

Besides other vital changes from the original law, a new and confusing method of electing directors is introduced. The right of regional land banks to issue bonds is taken away and vested in a central bank in Washington.

Every inch of ground gained by the farmers in the fight for cooperative credits must be fought bitterly against the political and other interests that have their clutches on this federal farm loan system. It must be taken away from them and given to the farmers to whom it belongs. This editorial marks the inauguration of a campaign to bring this to fruition.

It will be a non-political, impersonal fight and in the end the farmers will win. We base this prediction on our confidence in the intrinsic fairness of the American public.

Agricultural Credits — 1923.

Georgia.

AUG 25 1923

SUMTER NEGRO'S PLAN IS MOST UNUSUAL ONE

Would Have Merchants Pay Premium for Cotton and Thus Wipe Out Debts

Jury Clark, a negro farmer living in the Twenty-eighth district, was in Americus today and while at The Times-Recorder office proposed a most unusual plan for liquidating farmers debts this fall. In short his plan is to have Americus merchants pay the farmer a premium of approximately 11 cents a pound for cotton and thus provide the money necessary to pay off the farmers' debt. The plan seems all right to Jury, but it is not thought it will be adopted by many merchants here.

The plan, all written out by Jury himself, was handed The Times-Recorder with a request that it be published, as follows:

"To the Bankers, Merchants and Real Estate Men of Sumter County:

"Dear Sirs: You have been good to the farmers of this county, lent us your money, sold us your goods and tried to help us in every way you could and whenveer we would ask you. Now you have hope us in debt to you and we owe you all honest debts and want to pay you but on the shortage of cotton crops we can't see our way clear.

"You can witness that the boll weevil has got two-thirds of our cotton crops and gone. Now they have left us the rest and we can't see that the price of 24 cents for our cotton will enable us to satisfy out indebtedness, that you may be encouraged to lend or to help us again.

"We feel that if you will adopt some plan to give us 35c or more for our cotton we can satisfy our indebtedness enough to go on.

"Now, gentlemen, do you know that the cotton will be out inside of sixty days and the laboring class of farmers will be out of a job, and you need to adopt some plan that they can get a salary that will enable them to live in the south, because we need our labor to build up this Southland of ours, and to help us farm.

"Now, gentlemen, do you know that the colored man has always done as you all said. When you call for them to go and fight for this country they went and put this country over the top. Now I pray the Lord that you may take this under consideration and look into this mater. May God be with us all.

"JURY CLARK."

Agricultural Credits — 1923.

North Carolina.

White Farmer Landlords Should Advise Tenants to Attend Farmer's Congress

The New York Age 8/4/23

Editor of THE NEW YORK AGE:

Nothing would be more encouraging and stimulating to the Negro farmers who are tenants than to have their landlords urge them to attend the Negro Farmers' Congress of the A. & T. College, Greensboro, N. C., August 9 and 10. All accommodations are free, i. e., board, lodging, etc. Of course, each farmer will have to become a member of the Congress by paying a one dollar fee for which he will receive a nice badge and this badge will admit him to the dining hall, dormitories and other departments of the college free of charge. It will be a fine outing for tenant farmers and their families.

It will be helpful both to the tenants and their landlords. Why? Because the very best available information on all phases of farming will be decimated by experts from the State and United States Department of Agriculture at this meeting. Therefore the tenants will return refreshed, stimulated and encouraged, brimming full of new information that he will anxiously apply with renewed energy on his landlord's farm. By so doing, he will make more for himself, and thereby make more for his landlord.

Again, the very fact that the landlord advises his tenants about such meetings and urges them to come, will cause the tenant to feel that his landlord has his best interest at heart, so it will serve to draw them closer together and cement their interest for the common good of all concerned. In knowing that such a practice is new, but I feel that the white landlords will find it very profitable.

I should like to hold up as an example in this respect, Mr. W. P. Baker, a white landlord of Roberson County who not only encouraged his tenants to come to our Negro Farmers' Congress in Lumberton County last year, but came himself to see if they were there after he had advised them to come, and also to get the wholesome information given out by experts for both them and himself. We shall be glad to make provision for any white farmer who wishes to attend our Greensboro meeting, for most of our speakers will be white men and women, so they will not be the only white people in attendance.

Please don't forget that all Negro farmers who expect free board and lodging must report to me by Monday, August 6. If there is a party of them coming, one notice giveing the number will be sufficient.

JOHN D. WRAY
Farm Makers' Club Agent & Secretary
Farmers' Congress.
Greensboro, N. C.

Negro Farmers and The Land Banks.

The attitude of Federal Farm Loan Banks with regards to the Negro farmer in the South has been shown to be antagonistic through articles prepared for The Age by Charles E. Hall of Washington, an expert in the Census Bureau, who has given the subject intensive study.

Evidence corroborating the statements contained in Mr. Hall's articles is given in a letter written by John D. Wray, Farm Makers' Club Agent, Greensboro, N. C., supervisor of agricultural extension work in North Carolina, and published in the Greensboro *Daily News*.

Because of its comprehensiveness, Mr. Wray's letter is reproduced herewith in its entirety, as follows:

Editor of the *Daily News*:

For some reason that I am not able to explain, it seems that the government joint stock land banks and the federal farm loan banks are not inclined to favor Negro farms with loans even though they are able to furnish the proper collateral. I am not speaking from hearsay or abut what I have read in the newspaper, but from my actual experiences. I have handled applications myself, that is, I have mailed them to the joint stock land bank at Greensboro and have recommended to a great many farmers to send their applications to the Raleigh joint stock land bank. Some applications were turned down by both banks without giving any justifiable reasons for their actions. For instance, I have a typical cases this morning from both the Raleigh and Greensboro banks. The letters follow:

GREENSBORO JOINT STOCK LAND BANK
GREENSBORO, N. C.
July 11, 1923.

John D. Wray,
Farm Makers' Club Agent,
Greensboro, N. C.
Dear Wray:

We acknowledge receipt of your letter of the 10th, enclosing application of I. H. Humphrey, Jacksonville, N. C.

We are returning herewith the application, as we are not in a position to handle it at this time.

Yours very truly,
(Signed) C. E. FLEMING,
Secretary.

ATLANTIC JOINT STOCK LAND BANK
RALEIGH
Raleigh, North Carolina
March 19, 1923.

Mr. I. H. Humphrey,
Jacksonville, N. C.
Dear Sir:

We return herewith your application for loan, and regret to inform you that at present we are not in position to give you prompt appraisal of the security tendered; therefore we suggest that you endeavor to obtain the necessary funds through other sources.

Thanking you, nevertheless, for submitting this business, we are,

Yours very truly,
ATLANTIC JOINT STOCK LAND BANK.
(Signed) J. W. CALLAHAN.

No real reason was given in either of these letters, as I can see, that would justify these banks in refusing this Negro a loan. Neither claims insufficient security. In case of the Raleigh bank, the applicant did not designate any special time for appraisal, which is the only reason this bank seems to give for refusing the loan. The Greens boro bank states that it is not in position to handle the matter at this time, but did not indicate any disposition to handle it a any future date. What is true of this one applicant is true of a number that have come under my personal observation.

The New York Age 8/4/23

Now with regard to the federal farm loan bank. Wherever Negroes have organizations, they seem to have gotten justice from the Federal Farm Loan bank. At Columbia, S. C., I helped Prof T. S. Inborden organize the Tri-County Federal Farm Loan association, which is one of the most successful Negro organizations of its kind I know. The Negro farmers in Edgecombe, Halifax and Nash counties have received about $150,000 and have been advised that as many as can qualify can get that amount every three months. So it seems that where the Negroes have an organization and meet all the requirements of the law, as they have done at Brick's, through the influence and ingenuity of Prof. T. S. Inborden, and W. H. Phillip, an intelligent progressive farmer and secretary-treasurer of the organization, these banks have not refused to give them justice. But to offset this and deprive the Negro farmers of the advantage of these government loans, whenever the Negro farmers organize for the purpose of getting this government aid, the bank of Columbia usually recommends that such an organization be coordinated with that of the whites, if there is a white organization in that county. This will frustrate this fair justice to the Negro, for they know that Negroes are not going to attend the white meetings and push their claims as they would in a Negro organization. The white association officials, although willing for Negroes to have loans in many instances, are not going to run the Negroes down to get their applications and to assist them in meeting all the requirements of the law as a Negro would. Nobody blames them for that. I have good reason to believe that these Columbia bank officials make these recommendations of coordinating white and Negro organizations for the purpose of depriving the Negro farmers of the benefit of these loans. Why? Several times in this state I have followed the recommendations of the bank officials at Columbia, in attempting to coordinate the white and Negro organizations as they suggested. On one occasion I went personally with a representative of a Negro organization and placed $10,000 worth of applications with the secretary of the white association and the securities of some of these, I personally know, were as good as gold. If any Negro in this group or any other group I recommended the Columbia bank's coordination of organizations has ever gotten a penny, I have no knowledge of it. It has also been reported to me at various times in different sections of the state that it was believed that the Negro's applications were laid aside, and in some cases they were never sent in and in others, not until all the white farmers were sent in, notwithstanding they were placed before some of the whites were.

The New York Age 8/4/23

I have had Negro farmers all over the state at various times to declare to me that this money was not intended for Negroes. I am sure there is a very general impression to this effect throughout the state and it is because of the ease with which it appears that white farmers have been able to get their loans as contrasted with the difficulty which Negro farmers have had in their attempts to get the government loans with apparently as good collateral.

So I am inclined to believe and I think those who read this article will agree with me, that there seems to be a disposition on the part of the joint stock loan banks in this state and the Federal Farm Loan bank at Columbia to use the methods employed above to deprive the Negro farmer of his rights to the benefit of a fund that I understand the United States government has created and made possible to aid all struggling farmers who could qualify, irrespective of race or color. Because these banks have assumed that attitude toward the Negro farmers, thousands have lost their farms, thousands are still in jeopardy and thousands have migrated to the industrial plants of the North. Some with the intention to return and pay their debts and redeem their farms and homes, others have given up the struggle and sacrificed their farms which this government money in many instances would have saved, and gone North to return no more. This in my judgment is a very sad deal of injustice to the Negro farmers of North Carolina, and I am of the opinion it is more general further South. But while they may give the number of applications they have recognized and the amount they have granted in loans to Negro farmers, I dare say that they will not give the number they have turned down and the amount requested, a large per cent. of which they could have granted according to the law and the security offered.

A man was in my office yesterday and stated that he knew a Negro farmer who had tried these government banks and failed. He said he had ample security, but his farm is now advertised and will be sold in a few days.

Whatever explanation or excuse these bank officials may give, nevertheless, there appears to be a flagrant and wilful violation of the law. And if so, it is a disgrace to our southern civilization, because the law provides that a farmer who can qualify may receive aid as provided by the federal farm loan act, and any discrimination or attempt to discriminate is an outrageous violation of the law.

JOHN D. WRAY.
Greensboro, N. C.

redits—1923. North Carolina.

SAYS NEGRO FARMERS SUFFER WHILE FEDERAL LAND BANKS RETURN LOAN APPLICATIONS

Norfolk Journal and Guide - Norfolk, Va. 7-21-23

John D. Wray, Farm Makers' Club Agent, Avers That Subterfuge and Evasion Are Being Practiced Against Race Farmers.

Greensboro, N. C.—Writing in the Greensboro (N. C.) Daily News, Mr. John D. Wray, Negro Farm Makers' Club Agent for North Carolina, avers that a number of Negro farmers are in danger of losing their farms on account of inability to meet their financial obligations and complains that the government joint stock land banks of North Carolina and the Federal farm loan bank of South Carolina are contributing to the plight of these Negro farmers by declining to grant them loans even when the proper collateral is offered. Mr. Wray believes that the law creating these institutions for the specific relief of farmers in financial distress is being violated.

The Farm Makers' Club Agent makes it plain that he is not speaking from hearsay or what he has read in the newspapers, but from actual experience, stating that he has handled several applications by Negro farmers for loans from these banks and has seen them turned down with no apparent reason.

He cited two cases, in point, of returned applications which had just come to his desk. The one from the government joint stock land bank in Raleigh was returned with the simple explanation that "we are not in a position to handle it at this time," not indicating when in the future it would be able to handle the application. The Greensboro bank explained that it had not had the time for prompt appraisal of the offered collateral and suggested that the necessary funds be obtained through other sources.

Federal Farm Loan Bank

Of the Federal farm loan bank Mr. Wray says that it appears that wherever Negro farmers have organizations they seem to have gotten justice from the Federal Farm Loan Bank at Columbia, S. C.

He writes, "I helped Prof. T. S. Inborden organize the Tri-County Federal Farm Loan Asosciation, which is one of the most successful Negro organizations of its kind I know. The Negro farmers of Edgecombe, Halifax and Nash counties have received about $150,000 and have been advised that as many as can qualify can get a certain amount every three months. So it seems that where the Negroes have organizations and meet all the requirements of the law, as they have done at Brick's through the influence and ingenuity of Prof. T. S. Inborden and Mr. Phillip an intelligent, progressive farmer and secretary-treasurer of the organization, these banks have not refused to give them justice."

Mr. Wray goes on to explain that the Federal farm loan bank at Columbia, in order to offset the influence of these Negro organizations to obtain the advantages of these government loans, invariably recommend the co-ordination of the colored farmers' organization with that of the whites, if there is a white organization in that county. By this means, he says, they evade justice to the Negro, for they know that Negroes are not going to attend the white meetings and push their claims as they would in an organization of their own The white organizations, altho they may not oppose Negroes having loans cannot be expected to encourage them to file applications such as Negro organizations would.

Adopts Evasive Methods

Writing further, he expresses the situation this way:

"I firmly believe that these Columbia bank officials make these recommendations of co-ordinating white and Negro organizations for the purpose of depriving Negro farmers from the benefits of these loans. I have followed the recommendations of the bank at Columbia in attempting to co-ordinate the white and Negor organizations as they suggested. On one occasion I went personally with a representative of a Negro organization and placed $10,000 worth of applications with the secretary of the white association and the securities of these, I personally know, were as good as gold. If any Negro in this group or any other group I recommended the Columbia bank's co-ordination of organizations has ever gotten a penny I have no knowledge of it. It has also been reported to me at various times in different sections of the state, that it was believed that the Negro's applications were laid aside, and in some cases they were never sent in, and in others, not until all the white farmers were sent in, notwithstanding they were placed before some of the white farmers. I have heard Negro farmers all over the state at various times declare that this money was not intended for Negroes. I am sure that there is a very general impression to this effect thruout the state, and it is because of the ease with which it appears that white farmers have been able to get their loans as contrasted with the difficulty Negro farmers have had with attempts to get the government loans with apparently as good collateral."

Increase Farmer's Woes

These conditions, states Mr. Wray, have added to the woes of the already depressed colored farmer. The United States Government puts the money at the disposal of all farmers, irrespective of race or color, but the manipulations of these charged with apportioning it has served to deprive the black farmer of its benefits.

Some of these farmers have lost their property, when a government loan to which they were rightly entitled, would have stemmed the tide for them. Others, seeing the inevitable failure approaching, have sold out at a loss, packed up and gone North to enter industry. Some, hoping to return and gain another foothold on the soil of the South, and some avowing never to return to a land that has so cursed them in crop losses and economic discrimination.